

REVENUE DEPARTMENT[701]

Adopted and Filed

Pursuant to the authority of Iowa Code sections 17A.3, 421.14, and 452A.59, the Department of Revenue hereby amends Chapter 68, “Motor Fuel and Undyed Special Fuel,” Iowa Administrative Code.

This amendment is necessary to implement changes to the tax rates on motor fuels effective July 1, 2016. The changes in the tax rates on motor fuels reflect changes in the ethanol distribution percentage for calendar year 2015. Under Iowa Code section 452A.3(1) and 701—paragraph 68.2(2)“a,” the rate of excise tax on motor fuels for the fiscal year is based on the ethanol distribution percentage as measured in the previous calendar year.

Notice of Intended Action was published in the Iowa Administrative Bulletin as **ARC 2619C** on July 6, 2016. The Department allowed public comments until 4:30 p.m. on August 8, 2016. No public comments were received. This amendment is identical to that published under Notice.

Reducing taxes generally stimulates economic growth. However, the Department is unable to predict the specific impact this amendment will have on jobs.

This amendment is intended to implement Iowa Code section 452A.3.

This amendment will become effective on October 5, 2016.

The following amendment is adopted.

Amend subrule 68.2(1) as follows:

**68.2(1)** The following rates of tax apply to the use of fuel in operating motor vehicles and aircraft:

Gasoline	20.3¢ per gallon (for July 1, 2003, through June 30, 2004) 20.5¢ per gallon (for July 1, 2004, through June 30, 2005) 20.7¢ per gallon (for July 1, 2005, through June 30, 2006) 21¢ per gallon (for July 1, 2006, through June 30, 2007) 20.7¢ per gallon (for July 1, 2007, through June 30, 2008) 21¢ per gallon (for July 1, 2008, through February 28, 2015) 31¢ per gallon (for March 1, 2015, through June 30, 2015) 30.8¢ per gallon ( <del>beginning</del> for July 1, 2015, through June 30, 2016) <u>30.7¢ per gallon (beginning July 1, 2016)</u>
Ethanol blended gasoline	19¢ per gallon (for July 1, 2003, through February 28, 2015) 29¢ per gallon (for March 1, 2015, through June 30, 2015) 29.3¢ per gallon ( <del>beginning</del> for July 1, 2015, through June 30, 2016) <u>29¢ per gallon (beginning July 1, 2016)</u>
E-85 gasoline	17¢ per gallon (for January 1, 2006, through June 30, 2007) 19¢ per gallon (for July 1, 2007, through February 28, 2015) 29¢ per gallon (for March 1, 2015, through June 30, 2015) 29.3¢ per gallon ( <del>beginning</del> for July 1, 2015, through June 30, 2016) <u>29¢ per gallon (beginning July 1, 2016)</u>
Aviation gasoline	8¢ per gallon (beginning July 1, 1988)

Diesel fuel other than B-11 or higher	22.5¢ per gallon (on and before February 28, 2015) 32.5¢ per gallon (beginning March 1, 2015)
Biodiesel blended fuel (B-11 or higher)	22.5¢ per gallon (on and before February 28, 2015) 32.5¢ per gallon (for March 1, 2015, through June 30, 2015) 29.5¢ per gallon (beginning July 1, 2015)
Aviation jet fuel	3¢ per gallon (on and before February 28, 2015) 5¢ per gallon (beginning March 1, 2015)
L.P.G.	20¢ per gallon (on and before February 28, 2015) 30¢ per gallon (beginning March 1, 2015)
C.N.G.	16¢ per 100 cu. ft. (on and before June 30, 2014) 21¢ per gallon (for July 1, 2014, through February 28, 2015) 31¢ per gallon (beginning March 1, 2015)
L.N.G.	22.5¢ per gallon (on and before February 28, 2015) 32.5¢ per gallon (beginning March 1, 2015)

[Filed 8/12/16, effective 10/5/16]

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EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 8/31/16.